9 Months of Assured Income if Employee Gets terminated not due to his fault: BJP MP's Private Member Bill

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A private member's bill has been introduced in Rajya Sabha seeking to provide minimum nine months' time with assured income in case of termination of employees due to economic slowdown, employer becoming insolvent and change in technology among others.

The Terminated Employees (Welfare) Bill, 2020, was introduced by BJP MP Rakesh Sinha in recently concluded first phase of Parliament's Budget session.

It proposes that, if an employee gets Terminated due to economic slowdown, change in technology, court order, employer becomes insolvent, owner unable to carry business and change of government, then he is entitled for unemployment benefits.

The Terminated employee shall be entitled to unemployment compensation health insurance benefits or any other benefits as may be prescribed by the Central government, if such benefits are not part of the employee-employer agreement, for nine months or till the time he gets employed elsewhere, whichever is earlier, the bill reads.

In the bill's statement of objects and reasons, Sinha said, "At present, there is no law to ensure that the employers provide terminal benefits in time and which makes provision for education, medical facilities etc., to the families of employees who have been Terminated. The bill seeks to achieve the above objective."

"After employment, a person often takes a few loans to meet his needs, gets their children admitted at a certain level of school. All this cannot come to a halt without any of his fault. The family of the employee should not suffer because of such events," he said.

Therefore, the bill provides for minimum nine months' time with assured income to the Terminated employees which will give them enough time to reassign themselves to new employment without disturbing the existing set up of their family, the BJP MP added.

Most of the time, a private member's bill doesn't get passed and usually gets stuck at the introduction stage.